



# PANHANDLE

BENEWAH, BONNER, BOUNDARY, KOOTENAI, & SHOSHONE COUNTIES

## LABOR FORCE & EMPLOYMENT

Job losses in *Goods-Producing Industries* explain most of the increase in the Panhandle's seasonally adjusted unemployment rate from 7.3 percent in November 1999 to 8.9 percent in November 2000. The rest of the increase was caused by differences in the weather. November 1999 was less cold and wet than November 2000, and roads were easier to travel, allowing more construction, logging, tourist, and transportation activity.

Throughout most of 2000, silver prices hovered just below \$5.00 per ounce, lower than the break-even point for most mines. Lead and zinc prices also remained at low levels. Last summer, low prices forced the Sunshine Mine near Kellogg to close its 15-employee antimony plant. The Sunshine's shaky financial situation caused some young workers to leave their jobs there. Its employment fell from 280 in November 1999 to 210 in November 2000. In the same period, employment in the Panhandle's *Mining* industry fell 3.0 percent. Since November, silver prices have fallen below \$4.50. Falling prices forced the Sunshine Mine to lay off 27 employees at the end of December. After the layoff, Sunshine now employs about 187 people. If silver prices do not rise considerably, more mining jobs could be lost this year.

Falling lumber prices caused *Lumber & Wood Products* employment in November 2000 to be 10.3 percent lower than in November 1999. Since November, the situation has improved a bit. In early January, Crown Pacific reopened the Coeur d'Alene mill, recalling 80 employees. Approximately 50 mill employees remain out of work. With lumber prices depressed and energy costs rising, the Panhandle *Lumber & Wood Products* industry faces some tough challenges in 2001.

Panhandle Table 1: Labor Force & Employment

|                                     | Nov<br>2000* | Oct<br>2000 | Nov<br>1999 | % Change From |              |
|-------------------------------------|--------------|-------------|-------------|---------------|--------------|
|                                     |              |             |             | Last<br>Month | Last<br>Year |
| INDIVIDUALS BY PLACE OF RESIDENCE   |              |             |             |               |              |
| <b>Seasonally Adjusted</b>          |              |             |             |               |              |
| Civilian Labor Force                | 91,540       | 90,720      | 88,550      | 0.9           | 3.4          |
| Unemployed                          | 8,110        | 7,620       | 6,500       | 6.4           | 24.8         |
| % of Labor Force Unemployed         | 8.9%         | 8.4%        | 7.3%        |               |              |
| Total Employment                    | 83,430       | 83,100      | 82,050      | 0.4           | 1.7          |
| <b>Unadjusted</b>                   |              |             |             |               |              |
| Civilian Labor Force                | 91,690       | 89,880      | 88,840      | 2.0           | 3.2          |
| Unemployed                          | 7,250        | 6,040       | 5,800       | 20.0          | 25.0         |
| % of Labor Force Unemployed         | 7.9%         | 6.7%        | 6.5%        |               |              |
| Total Employment                    | 84,440       | 83,840      | 83,040      | 0.7           | 1.7          |
| JOBS BY PLACE OF WORK               |              |             |             |               |              |
| <b>Nonfarm Payroll Jobs**</b>       | 68,110       | 68,500      | 66,100      | -0.6          | 3.0          |
| <b>Goods-Producing Industries</b>   | 15,040       | 15,130      | 15,250      | -0.6          | -1.4         |
| Mining                              | 990          | 990         | 1,020       | 0.0           | -2.9         |
| Construction                        | 5,200        | 5,410       | 5,190       | -3.9          | 0.2          |
| Manufacturing                       | 8,850        | 8,730       | 9,040       | 1.4           | -2.1         |
| Lumber & Wood Products              | 4,210        | 4,130       | 4,690       | 1.9           | -10.2        |
| All Other Manufacturing             | 4,640        | 4,600       | 4,350       | 0.9           | 6.7          |
| <b>Service-Producing Industries</b> | 53,070       | 53,370      | 50,850      | -0.6          | 4.4          |
| Transportation                      | 1,530        | 1,540       | 1,500       | -0.6          | 2.0          |
| Communication & Utilities           | 1,070        | 1,070       | 1,030       | 0.0           | 3.9          |
| Wholesale Trade                     | 2,280        | 2,260       | 2,240       | 0.9           | 1.8          |
| Retail Trade                        | 15,710       | 15,740      | 15,380      | -0.2          | 2.1          |
| Finance, Insurance & Real Estate    | 2,460        | 2,510       | 2,490       | -2.0          | -1.2         |
| Service & Miscellaneous             | 16,600       | 16,860      | 15,270      | -1.5          | 8.7          |
| Government Administration           | 7,920        | 7,910       | 7,650       | 0.1           | 3.5          |
| Government Education                | 5,500        | 5,480       | 5,290       | 0.4           | 4.0          |

\* Preliminary estimate

\*\*Full- or part-time jobs of people who worked for or received wages in the pay period including the 12th of the month

*All Other Manufacturing* was the bright spot for Panhandle *Goods-Producing Industries* in 2000. Electronics, furniture, silver coin, and other manufacturers added 290 jobs between November 1999 and November 2000. Since the fall, Panhandle manufacturers, like other U.S. manufacturers, have seen their sales slump and inventories rise, and some have responded by reducing hours of work or even cutting jobs.

*Service-Producing Industries* expanded between November 1999 and November 2000, and are expected to continue to grow in 2001. Call centers, health care providers, schools, tourist businesses, and temporary staffing agencies added the most jobs between 1999 and 2000, and are expected to be the largest sources of new jobs in 2001.

This winter, tourism is a bit disappointing. The 2000-2001 ski season is lackluster compared to the previous ski season, which brought plenty of snow to the ski slopes. Despite the heavy snowfall in the mountains, the roads usually were bare, making it easy for skiers to get to the ski hills. The 2000-2001 ski season so far has brought too little snow, yet icy roads. Snow pack is about half of its normal level. Despite the uncooperative weather in

December 2000, Schweitzer Mountain Resort near Sandpoint broke its previous record for ski visits set in December 1999. Schweitzer's new six-person chairlift is proving to be very popular. Low snow levels made opening day at Silver Mountain Resort in Kellogg the latest it's been in five years. The lack of snow also reduced ski visits. Low snow levels and poor road conditions hinder snowmobiling and cross-country skiing, as well.

Since November, call centers have announced developments that could result in the addition of 750 jobs this year. First, as reported in the November newsletter, Tele-Servicing Innovation (TSI) announced it would open a call center in Smelterville, the heart of the Silver Valley. Then, in January, Center Partners announced it was opening a customer service center in Coeur d'Alene that could employ 300 people by April and 500 people by next year.

Based in Fort Collins, Colorado, Center Partners operates customer service centers in Arizona, Colorado, and Idaho Falls. Jobs Plus, the local economic development organization that has recruited so many firms to Kootenai County, convinced Center Partners that Coeur d'Alene would be a great location for their next customer service center. Center Partners is leasing the 40,000-square foot building at 1200 Ironwood Drive that housed the U.S. Forest Service until 1994, and then the Coldwater Creek call center from 1996 until it moved to the Coeur d'Alene Tech Center last fall. Center Partners expects to hire nearly 300 customer service representatives in the next two months. It also will hire managers, supervisors, and administrative support personnel locally. Wages and benefits promise to be higher than average. For information about jobs with Center Partners, contact Coeur d'Alene Job Service at (208)-769-1558.

## AREA DEVELOPMENTS

### Bonner County

- Bert Dennett recently opened Sandpoint Jewelry & Gifts—specializing in estate jewelry, antiques, clocks, and hand-painted Italian pottery—at 111 N. First Avenue in downtown Sandpoint.
- Schuck's Auto Supply opened a 7,000-square foot store in November at 3310 Highway 95 North in Sandpoint. The auto parts and accessories store employs 10 people.
- Pend Oreille Printers, a print shop on the first floor of the Daily Bee building in downtown Sandpoint, closed at the end of December putting nine people out of work. Many print shops in the United States are closing because personal computers and color photocopiers have reduced the need for print shops.

### Kootenai County

- Between the main hospital building on Ironwood in Coeur d'Alene and Interstate 90, Kootenai Medical

Center (KMC) is building a \$1.7 million, 14,000-square foot center for rehabilitation and therapeutic care. KMC's McGrane Center will include a large indoor therapy pool with a lift and special handrails, a large exercise room with covered patio, a room for an adult day-care program, a classroom, and examining rooms. When the center opens in June, KMC will hire 10 people to staff it.

- Dalton Gardens, a city of 2,500 people sandwiched between Coeur d'Alene and Hayden, recently welcomed Picket Fence. Located in the Dalton Court mini-mall at 7352 Government Way, the 1,400-square foot gift shop features candles, cards, antiques, furniture, home décor, and collectibles.
- New businesses in Post Falls include Winger's Diner, a restaurant overlooking Interstate 90 and accessible from Seltice Way in Post Falls; Quality Stoves, selling and repairing stoves for heating and Amish furniture at 1835 Edmonton Avenue; Lakewind Custom Shutters, selling customized window shutters at 55 Cedar Street; Prime Time Grill, a restaurant in the former Rick D's space on Spokane Street; Frederick's, a micro-brewery pub serving lunch and dinner at 315 N. Ross Point Road; Racer's Edge, a store selling helmets for motor sports and bicycling and racing t-shirts, at the Prime Outlets; and Nature's Health Center, offering nutritional supplements and colon therapy, at 5900 W. Seltice Way.
- Businesses that opened in Coeur d'Alene in the last two months include Olive Garden, an Italian restaurant employing 150 people at the northwest corner of U.S. Highway 95 and Canfield Avenue; Pic 'N'Save, a store that sells close-out items that manufacturers have discontinued, in part of the old Montgomery Ward's space in the Coeur d'Alene Town Center on Appleway; Traditions, a gift store featuring Western American items and pottery, at 313 Sherman Avenue; Anna Leighs, a store specializing in women's clothing and housewares, at the Coeur d'Alene Resort Shopping Plaza; Coeur d'Alene Bridal and Formal, a bridal shop at 402 W. Canfield Avenue; Scrubs N'Stuff, a store specializing in medical uniforms at 1801 Lincoln Way; Quizno's Subs Store, a sandwich restaurant in Ironwood Square; and Casa de Oro, a Mexican restaurant in front of Tidyman's along Highway 95.

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